

# **EMPLOYEE INPUT MEETINGS**

## **Meeting Notes**

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**TAB A**

**SOMERSET**

**Attendance – approximately 167**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest.

Recommendation 1: 3 recommendations on the table, felony, civil, administrative resolution of violations of merit system. Secretary Roberts stated that he would like a process which would take the victim into consideration and have a method for making the victim whole (i.e. reinstatement, promotion, etc.)

Recommendation 2: Updating Human Resources Information System. The infrastructure for personnel. Internal mobility will be the way it is, just like it is now, after the new system is put in placed. Creates a promotional ladder.

Recommendation 14: Employee Relations subcommittee charged with looking at this. Creates two tracks for grievance process. First track would be employee would file a grievance, if grievance was not satisfactory then the employee would go to a peer review, if peer review was not successful then employee could file with Personnel Board. Second track would be employee would request mediation, if mediation was unsuccessful then to peer review, if peer review was unsuccessful then to Personnel Board.

Recommendation 17: Drug Testing – Three types. 1st type would be post-offer / pre-employment. This would apply to all new employees. 2<sup>nd</sup> type would be Reasonable Suspicion test. An employee under the influence of drugs or alcohol in the workplace would be subject. 3<sup>rd</sup> type would be Random Testing of employees who are in charge of another, or CDL, i.e. nurses, drivers, KSP, etc.

Recommendation 18: Additional week of military leave. This would be more in line with the Federal Civil Service Military Leave Policy.

Recommendations 20, 21, & 22 – Affirmative Action, Equal Employment Opportunity, protected classes. Disparity Study to be done to see if persons in protected classes are affected adversely.

Recommendation 23 – Reduction in classifications. Recommendation put forth in 1993 & 1996.

Recommendation 24 – Put forth years ago and was not implemented years ago. This says we should maintain the annual increment. Pay for performance. Use of ERA & ACE. Maximum on salary range. Salary and pay inequality.

Recommendation 26 – 40 hour work week. Option to the Agency. There is a fiscal impact 6.7% increase in pay for employees working the 40 hour work week.

Secretary Roberts then opened the floor for questions:

Q: Area Tech Center – 18A and 151B does this regulation seems to be for 18A employees only.

A: This task force is for 18A merit system employees only. This does not apply to anybody other than 18A employees

Q: Does my opinion count: what weight does my opinion carry.

A: It definitely counts. These are just recommendations. Merit System reform is a long haul there are a lot of other states that have done this and are currently under going this. Your opinion does count. We heard from a lot of employees on Frankfort on Thursday and their opinion as your does count very much. We will make a record and it will be provided to the task force. The things that are discussed will be considered by the task force and it will also be given to the governor. I can tell you that when it comes time to talk to the governor I will articulate to him what your opinion and feelings are on the different recommendations.

Q: How can a 40 hour work week benefit the state when the state has a budget problem now?

A: Several benefits for those who want to do it. Several vacancies are left unfilled. Do away with the vacancies. For other agencies it is a method for retention, it helps keeps employees leaving to get more pay in the private sector. It also comes down to the efficiencies as well. The Finance Cabinet was able to save money because they did not fill 100 (+-) positions. In some instances it is a good thing for the budget.

Q: What about overtime will it be discouraged or not allowed.

A: (MH) - It is up to the supervisors to work the employees to get the work done, pursuant to Federal Law. (ER) the non-merit folks at the Finance Cabinet took on the additional 2.5 hours of pay without additional compensation. 38 other states have gone to the 40 hour work week.

Q: Who will be completely these tests, who will have access, what type of test?

A: This is a preliminary recommendation. As of now, all discussion has been urine test. It will go to a federally registered lab, many labs across the commonwealth. These tests are currently being done on employees having CDL licenses.

Q: If the class specifications are reduced, they should look at tax auditors who are not on the same pay schedule as other auditors across the state.

A: There is currently not a lot of uniformity; I agree part of the classification reduction piece is to add uniformity to make sure that everyone is treated fairly and using the same job families.

- Q: Comments regarding recommendations 24 & 26. Rec. 24 is not good should be across the board. Rec. 26 should be added to daily work time instead of taking away from the lunch break.
- A: The annual increment will be given across the board. That will be the recommendation of the task force whether it is given will be through the legislature. The added hours will be at the end or the beginning of the day.
- Q: Will there be a retirement at the end of 2008.
- A: I know there is a lot of discussion about retirements in 2008/2009. That is something that Personnel Cabinet doesn't have a lot to do with. I'm actually on the retirement board but that not something that this task force is looking at right now.
- Q: Comment – what hazardous duty pay in Transportation Dept.
- A: We will make a note of that. If you are comfortable, whoever submitted that if you will contact us, we can talk about that a little bit more.
- Q: The promotion of internal mobility employees what provisions will be in placed for all employees to compete for promotions.
- A: Internal Mobility will stay the way it is. The only thing that will be a little different is the promotional track. Most people from what we heard when there is a vacancy. They go through the motions but already have someone in house they would like to do the job.
- Q: Who decides when there is a position is open and when it will be filled.
- A: Whoever is making the hiring decision for that entity. With the new HRIS system, when a vacancy is opened, the agency notifies us and it posts for 10 days, with the new system it will be available to everyone online.
- Q: How do you propose to have a career path if you are going to collapse classifications?
- A: Job Families, similar jobs with similar responsibilities. You try to work with the foundation.
- Q: PUT EXAMPLES ON WEBSITE
- Q: Would all annual increments be based on performance?
- A: There is some discussion to pay on performance, but this recommendation is not for that. There is discussion to have additional pay increase for performance.
- Q: If being grandfathered in doesn't work what will happen to current staff?
- A: This is for new employees.
- Q: Comment – the merit system is all right we recommend leaving it alone.
- A: Kentucky isn't alone on this one; many states are trying system reform.

Q: I think recommendation 17 is excellent idea, but I believe all employees should be tested at least 1 a year.

Q: If we go 40 hour week will leave be adjusted?

A: Yes

Q: On recommendation 24 would there be a cost of living increase?

A: No discussion about cost of living.

Q: If someone can be demoted, you lose job security, if your job or position is eliminated, can they be demoted?

A: No that won't happen, we'll have to make what we have fit the new classifications.

Q: If you are maxed out, you give merit raises; will you get a percentage or lump sum?

A: Lump Sum

Q: If you're maxed out at 40,000 for your pay grade?

A: I think what is envisioned is that you're get a lump sum, there wouldn't be an increase to your annual increment

Q: Who decides or evaluates for ACE/ERA awards?

A: The appointing authority. There are regulations which govern those issues, but it is up to the appointing authority.

Q: Who will be able to request someone to be drug tested? I feel any employee should be able to ask for a test.

A: We aren't going to reinvent the wheel. There are drug testing programs out there with procedures we would operate under.

Q: If you get a 2000 lump sum, is that all you're ever get?

A: It would be on an annual basis. Every year we do market surveys to see if we are still in line with the market, which would be even more important if maximums were placed. Those maximums would adjust to keep up with the market survey. Those reviews would be done on an annual basis.

Q: But your annual studies don't mean legislatures have to follow.

A: I agree

Q: At a mental health facility, we have 82% of our work injuries are due to client related injuries to staff. Is there a possibility to look at hazardous duty pay?

A: We will have to take a good hard look at it.

Q: Another request for hazardous pay for mental health workers.

Q: Favor making violations felonies.

A: I'm not here supporting one or the other. Currently the task force is split on that issue. We'll have to wait for the vote to see what happens. I'm afraid that if you make it a felony you might take away from crimes that are true felonies. The person who does the discrimination should be dealt with very harshly. I would like to see more focus on the victim. Do we have provisions to get that person the job back; we need to do what it takes to make the employee whole. Whatever we do it needs to be defined and clear.

Q: Who chooses the group of peers on recommendation 14?

A: Elect peers of your own, whether it is in your agency or region. ER – the other component is when there is a conflict we want to have the quickest resolution that we can. The personnel board takes 6 months to get something resolved. If we can get these things worked out everyone can move on quicker.

Q: So we will select those peers within our own office/region?

A: It will more likely be people who are not in your office, but not closely related.

Q: Is mediation process is it final and binding?

A: Mediators come to your workplace; you sign a resolution if you agree to a resolution.

Q: Will it set a precedent across state government.

A: It is confidential, mediation

Q: The task for is making recommendations how long will it take to put in place?

A: Some things are legislative and it would depend on the legislature. Others are executive functions which could happen quicker; others are administrative and could happen even quicker.

Secretary Roberts then encouraged everyone to look at the Personnel website which is dedicated to the Blue Ribbon Task Force for the Merit System; he asked that the employees gather all the information they can. There is also an e-mail to send us your comments, questions.



**TAB B**

**HENDERSON**

**Attendance – approximately 44**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest.

Recommendation 1: Political Discrimination. – looking at 3 options. Keeping like it is – Misdemeanor, making a felony, making administrative/civil. – Emphasize making clear definitions.

Recommendation 2: Using technology to implement new Human Resource Information System. I.e. test, update applications, being placed on a register. Internal Mobility will still operate as it does now, the only thing that will be different with the changes being proposed is that it will create promotional ladders, being able to be promoted through their jobs.

Recommendation 14: Grievance procedures, dispute resolution procedures. Two tracks for employee complaints – 1<sup>st</sup> track is grievance process, unsure of effectiveness of this process then peer review committee. If grievance is not resolved then move to peer review committee then to personnel board. 2<sup>nd</sup> track is mediation track. Currently the state has a volunteer mediation process. This would make mediation an official resolution. Mediation has a high success rate for complaint resolution. Agency would be required to mediate the issue with the employee, then to the peer review and then to personnel board. The idea behind this rec. is that personnel board. Personnel Board is doing a great job, but they are working understaffed, currently takes up to 6 months to resolve case.

Recommendation 17: Drug testing. Post offer, pre-employment drug testing involves new employees. Reasonable suspicion involves currently the option is to contact law enforcement. If a coworker reports to a supervisor, that will be looked at and if it is found that there is reasonable suspicion, then the person would be tested. The last piece is a deterrent piece, where someone might be thinking about using in the workplace, would be random testing. Seems to from these meetings that no one wants to work with someone using drugs. Random testing will be very limited to those caring for others, or drives, i.e. nurses, cops, CDL licenses.

Recommendation 18: Gives addition week of military leave. This is in line with the Federal Civil Service policy.

Recommendations 20, 21, & 22: EEO and Affirmative Action. Do a study to determine if any person in protected groups is being mistreated by the system.

Recommendation 23: Reduction in number of classifications in merit system. This rec. came out of previous recommendations in 1993 & 1996. Trying to simplify the system. With respect to job classifications, when you have issues with the job classifications, the classifications are the building blocks of the system. Needs uniformity within the classifications, to clean them up and clarify them.

Recommendation 24: Maintain annual increment. Maximum salaries. Without maximum salaries you have pay inequality.

Recommendation 26: 40 hour work weeks. This is currently being done on an agency by agency basis. Finance Cabinet took a survey and found that 75% of their folks wanted to go to a 40 hour work week.

Secretary Roberts then opened the floor for questions.

Q: How does the 40 hour work week work with the adverse weather policy to make up the time?

A: You will still be able to make up the time.

Q: What is the adverse weather leave?

A: Procedure if you can't get to work, you don't have to go, but you will have to make up the time within a period of time.

Q: If you move to a 40 hour work week how will the leave be calculated, also how will those approaching retirement work?

A: Leave balance will transfer over at its current balance, but new accumulated leave will be calculated at the new rate. The best example with that was in Finance there were some people who this would affect adversely, so the agency grandfathered those people nearly retirement opt out. Some of the positives, 30 other states have gone to 40 hour work week.

Q: Suggestion – Good system, just not executed correctly.

Q: How do you stop promotion of “favorites”?

A: They're doing it now. Two discussions for handling this problem, is taking the hiring out of state government and contracting it out to an outside vendor. 2<sup>nd</sup> is making sure that the most qualified person is put into the position. You ought to have something in there about seniority.

Q: If we go to a 40 hour work week, is it to be statewide or office to office or statewide to make up the extra half hour each day?

A: It will be up to the appointing authority to decide where the extra half hour will be.

Q: On job classifications, in our cabinet we had 4 classifications for workers based on knowledge and experience. Is the classification system going to add back in money or is it just going to delete those classifications?

A: If you take on additional duties in a job in order to get more money, those folks come to personnel cabinet to get a new classification with higher pay. The new system will allow you to take on additional duties without having to be reclassified. Exam: you don't have supervisory responsibilities, the promotion will give you

supervisor responsibilities, and you will be able to do that with out having to be reclassified.

Q: So classifications will be gone and those people merged into others:

A: Those classifications will be collapsed and merged into "job families". We may have a classification now and the only difference between that is one line. The people who are moved out of one and into another will be taken care of. This is a long term project, if they even move forward at all. You have to do it in a way and know how it affects people.

Q: If I have an Insp. II and want to reclass to Insp. III. If I had a vacancy III slot I could promote him into that slot. In the new system I wouldn't have to have a vacancy in the Insp. III I could just promote him into that.

A: Yes.

Q: In the attempt to be more uniformed, have you gotten specific as to how many steps you are going to put into each job classification.

A: It hasn't gone that far.

Q: Will the deciding mechanism be through someone's recommendation, or through time & service and good evaluations?

A: I would think it would work similar to the way it does now.

Q: Could you cut down on the individual steps in the job classifications if annual increments were given? Just give the 5% and then let people have promotional ability as well.

A: I agree people are finding a way to get a raise.

Q: Political activities – no compensation other than per diem.

A: Nonpaying elected offices that they have a hard time filling. You can run for nonpartisan offices.

Q: When we are called in at midnight 12 hour shift have to use a vacation time, comp time or leave without pay in order to allow adequate coverage.

Q: They make us work overtime for nonemergency then on Friday make you take off and won't get paid for the overtime.

A: We'll make a note of this.

**TAB C**

**LEXINGTON (SESSION 1 – 1:30 p.m.)**

**Attendance – approximately 55**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest. Secretary Roberts also introduced task force member Don Dampier.

Recommendations 1 & 7: Political discrimination issue. 3 options on table. 1<sup>st</sup> is to keep as is – misdemeanor if you commit p disc. 2<sup>nd</sup> felony, 3<sup>rd</sup> take it civil – loss of job and civil fine. Whichever way the task force decides to go we need to make sure it is clear what conduct is not permitted.

Recommendation 2: Human Resource Information System – will allow employees to apply for jobs online, putting self on register, changing counties, updating applications, testing (remote) in proctored environment. Promotional ladders, Internal mobility stays the same, however builds career ladders.

Recommendation 14: Grievance process. Creates 2 tracks for employee grievance. Chain of command, supervisory line, then to peer review committee (group of fellow merit employees to look at and give opinion) then to personnel board. 2<sup>nd</sup> track is mediation track. First through mediation (agency required to attend and try to work out the issue with employee) then to peer review then to personnel board. Also allows for tracking of grievance processes. The personnel board would monitor those cases including mediation and peer review.

Recommendation 17: Drug Testing. 3 types of drug testing. 1 – post offer/pre-employment; 2 – reasonable suspicion testing, employee on job in the workplace suspected of be on drugs at the workplace then can test; 3 – Random testing, fairly limited form of testing will be limited to persons in elevated positions of trust, CDL licensees, nurses, cops, etc.

Recommendation 18: Additional week of military leave – makes consistent with federal policy.

Recommendations 20, 21, & 22: EEO – Affirmative Action Plan.

Recommendations 23 – Reduction in Classifications. Classifications are the foundation of the merit system.

Recommendation 24 – Annual increment be maintained. Annual increments are an annual legislative budget item. Maximum salaries. There is discussion this will only apply to newly hired personnel, basically grandfathering current employees out.

Recommendation 26: 40 hour work week. Some agencies already have this. Currently up to the agencies to decide. It has to be tailored to the agency because of the fiscal impact. There is a 6.67% pay increase for the additional hours.

Secretary Roberts then opened the floor for questions.

Q: Promotional track.

A: With the new system it will be easier to have job families, if you have an employee who is familiar with the work you are doing and understand it they can be promoted within the office without having to go through the register. We did hear from employee groups at the task force and they say they do this already. This is beneficial because you don't have to go through the bureaucracy to get reclassified and then get a raise.

Q: Less than 2 months ago we were all supervisors were called to KYTC and told that promotions were no longer there, that people would only be reclassified, going from a 1 to a 2, promotions would no longer be given.

A: That's the current situation which we are in now. Right now cabinets, and some agencies in the districts within the cabinets not doing the same thing, which leads to unfairness. Someone will have to decide that the cabinet and agencies will have to get on track.

Q: I this talking about giving 5 and 5

A: Yes. 5 percent per grade the 5% promotional

Q: If I have a person in the office that is ready to go to an EIT I to EIT II, abolished the old position, make a new position then take the person pull the register get 3 candidates call 2 interview them and that what we would call a promotion.

A: This is just a recommendation and not currently in place. What you are doing now is under the transportation cabinet appointing authority. We would urge all agencies to be uniformed.

Q: I never approved on having to advertise for a job that really is not there, having to pull a register for a job which you want to promote from within. We can keep people here.

A: That's what we are trying to do, we are trying to create a promotional, career ladder so folks can promote within a series of job families.

Q: How would you redo the classifications? Right of Way agent I and Right of Way Agent II is the same grade, there is no promotional path. Who will decide, will employees have input?

A: This is a long term project, quite frankly we are going to have to bring in some folks who know how to do this, and we will get input from folks that it will affect. There is a reason it hasn't been done before, and that's because it isn't easy. We need to get it done and then maintain it. It all comes down to the new system, we want to make sure we put good info in.

Q: Will every job classification have levels?

A: I believe that is the way it is done, with steps, it is flexible within a classifications there are several steps.

- Q: Is there anything in this which will eliminate the creation of new classifications after the deleting and the collapsing of classifications?
- A: Yes.
- Q: Why isn't the old classification deleted when a new classification is created, there is no reason to have the old class because the new class encompasses the duties?
- A: The personnel cabinet needs to do a better job at monitoring these matters and be better gatekeepers.
- Q: Further evaluations and use of ACE/ERA awards. If these recommendations are put in place does this give a supervisor an opportunity to bump a person's salary to keep them in state service?
- A: Yes, there will also be market surveys to make sure that folks salaries are bumped up to stay competitive with private sector.
- Q: Are you required to have 1 day of vacation to qualify for an ACE award?
- A: No, it might be an agency's policy.
- Q: If you are a supervisor and you have the discretion to do that there is nothing Personnel Cabinet can do to?
- A: That's right.
- Q: Burrowing – Make them take the test and qualify.
- A: They are suppose to do that. There is one in the personnel cabinet that that happened to. The 12 month period helps; it at least demonstrates a commitment to learn the job.
- Q: 40 hour work week. Is there any adjustment to their leave balances?
- A: There are a couple of different things. About 1/4 of state employees are already at a 40 hour work week. The benefit of going from 7.5 to 8 is 6.67% pay increase. Most states make you have 2 leave banks. Here you will move or leave state gov't you will be paid out at 8 hours pay (or balance at the 6.67% additional pay). Your balance stays the same however, if you are a retiree, you can be grandfathered out and not go to the 40 hour week. Accrue at 8 hours when you go to the 40 hour work week.
- COMMENT - have leave balances converted to weeks with the new system.
- Q: Why do we have a 37.5 hour work week anyway?
- A: A cost saving measure started around 1960 when a lot of universities had less hours worked because of the class scheduled. 38 other states have moved to a 40 hour work week. Historically it was a bi-product of the university system which they copied and a cost savings initiative.
- Q: Market surveys, do a study and you may adjust the pay, then over time it will erode and then time will do again, it seems there is always a cycle.



- A: This is done every year.
- Q: Is the results of the survey going to be implemented, the raise never happens?
- A: Part of the problem is the executive branch doesn't control what you get paid the legislature does.
- Q: Work 2 ½ hour over then time and halve with 40 hour work week will it go straight to time and half?
- A: Yes
- Q: Would like to see CPM program continue, making sure supervisors are trained.
- A: The CPM program is still there it is being evaluated.
- Q: If its still happening can we get back in to finish?
- A: Looking at doing some things with KCTCS to improve. I hear what you are saying, that is where it begins. In these recommendations you see training in training for supervisors in evaluations; you see training in EEO and affirmative action initiatives. Most employees can tell you how much then spend on employees for employee development. I don't think in KY we can run such a report. Agencies what to have the ability to do their own thing, but this prohibits having a uniformed system.
- Q: How many people have completed the fundamentals part and not able to finish?
- A: I'm going to find out.
- Q: Not a lot of employees are concerned about the penalties. I think it is important to me, because that affects my life. I think it should be a very serious violation.
- A: I don't disagree at all. I believe you should have penalties that will work. I don't know if making these things felonies will make this work because lets face it most judges aren't going to send people to prison for a year for merit system violations with jail overcrowding. If you cause someone to lose their job, and put a good fine on there that will hurt them pretty good and have an effect on them. The other part of the piece because the merit system doesn't really address it, what happens to the victim, what does we do for the victim. There needs to be something to help make the victim whole.
- Q: I think we need tougher penalties for someone who fires or demotes a current employee.
- A: I can see that distinction. I think displacing someone could be serious. Whatever is done, if it is left the same, if it is felonized, if it civil, you need to make it clear. You need to have clear language which makes it clear.
- Q: The more levels of non-merit employees the fewer problems we would have. Have you thought about lowering some of these positions?
- A: I think it gets tricky when you get a merit employee in a policy making position.

- Q: What are your thoughts on the implementation of these recommendations? How do you think it is going?
- A: We are in the very early stages of merit system reform, we've come up with good recommendations but they require legislative action, executive action, or administrative action.
- Q: We are looking at another session.
- A: We'll have to see what comes out of this session, executive functions or administrative functions may be able to happen quicker.
- Q: So it's always going to be up the appointing authority
- A: Yes, unless something is done to change that.
- Q: So 40 hour week is up to the agency?
- A: Yes.
- Q: Is there anyway the legislature can be told the employees would like to maintain the annual increments?
- A: Yes, talk to your legislature. I imagine at some point I will be asked to testify before a legislative committee, and I will let them know this is important.

DON DAMPIER comment – Employee organizations put this on their agenda each legislative session. Let your legislature know, send them an e-mail, write them a letter, they do listen.

Comment – they will read every individual letter, more than they will read a group letter.

- Q: Is there a time limit someone can hold an active position.
- A: Will take a look at that, I don't believe there is anything that can be done right now.

Representative Farmer comment - If you want to know more about the task force, please visit the website and you can open everything and have a "task force experience".

- Q: In looking at non-merits reverting and/or reentering. Reverting reverts back to the rate of pay you were plus any yearly increments when you left merit and enter non-merit. To reenter you can start at the same rate of pay you currently are at as a non-merit.

**TAB D**

**LEXINGTON (SESSION 2 – 3:00 p.m.)**

**Attendance – approximately 43**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest. Secretary Roberts also introduced task force member Don Dampier.

Recommendations 1 & 7. Political Discrimination. Three positions from task force, 1<sup>st</sup> keep the same – misdemeanor, 2<sup>nd</sup> felony, 3<sup>rd</sup> civil & fine. Regardless of which option we go with it needs to be clear when political discrimination occurs.

Recommendation 2. New human resource information system. Current system is over 20 years old. New system will make new data easier to extract. The impact on employees is online application, updates, testing, etc. Moving to promotional tracks, career paths. With a promotional track the agency will have the ability to promote without advertising. In a situation where there isn't an internal promoteable individual, would turn to internal mobility as it is now.

[Interruption from audience]

Q: If someone, manager or agency has an employee who wants that person would you say they would still go through the register?

A: The new process if you have someone who is promoteable you can give the person the promotion.

Q: That seems unfair to someone outside their agency.

A: There are two sides of that argument; you definitely make a good point.

Recommendation 14: Grievance process – dispute resolution process – recommends we would have 2 tracks to deal with grievance. 1<sup>st</sup> track is grievance track – chain of command/supervisor, then to peer review then to personnel board. 2<sup>nd</sup> track is mediation track – mediation, then peer review then personnel board. Also, requires tracking of grievance and mediation process.

Recommendation 17: Drug testing. 3 types of drug testing wouldn't apply to judicial, legislative or 151b employees. Applies to 18A employees only. 1<sup>st</sup> applies only to new employees – post offer/pre-employment drug testing, 2<sup>nd</sup> reasonable suspicion applies to all 18A employees applies to employees suspected of being on drugs in the workplace; 3<sup>rd</sup> random testing which would only apply to CDL licensees, and workers such as nurses correctional officers, applies to those employees higher level of sensitivity or care of children, etc.

Recommendation 18: Additional week of military leave to serve.

Recommendations 20, 21 & 22: EEO – Affirmative Action. Requires disparity study of individuals in protected classes to look at whether the merit system has any adverse impact on persons in the protected classes.

Recommendation 23: Reduction of classifications in merit system. This recommendation is a reoccurring recommendation originally rec in 1993 and 1996. This was actually done before in 1996 they were reduced down and now they are back up again. Some have 5 people or less. The classifications are the building blocks and the foundation for the merit system.

Recommendation 24: Maintain the annual increment. The implementation of the maximum on the salary range. Currently we have an entry and a mid-point but no maximum. The Task force is very aware of employees who are longtime employees and those who are close to retirement. There is a possibility of grandfathering current employees out, and start this on new hires only. The market studies which are currently done will be even more important to make sure that the maximum amount keeps up with the private sector.

Recommendation 26: 40 hour work week. Up to the appointing authority if they want to go to a 40 hour work week, and whether or not they can afford it. You have to be able to afford it. It is a 6.67% pay increase. Rationale behind the 40 hour work week, in addition to giving up 100 funded positions to pay the additional salary of the current employees, they also wouldn't have to have the workspace, equipment, etc. Also, retention of employees.

Secretary Roberts then opened the floor for questions.

Q: Will an agency, a revenue generator, for the government would a generator or spender be an argument for going to a 40 hour week?

A: The issue for an agency is really if you have the 6.67% in your budget.

Q: Div of disability – Persons leaving a 40 hour work week then going to a 37.5 hour work week would lose money on entering because the reduced hours.

A: Yes.

Q: The appointing authority refers to the cabinet itself or the offices within it.

A: The appointing authority starts with the cabinet secretary but can delegate that function out.

Q: So it could happen office by office within an agency, and not agency wide?

A: Yes, example is Corrections have gone to 40 hour work week while other offices in Justice Cabinet have not.

Q: Would leave balance be adjusted to compensate for the extra half hour?

A: On pay out you will be paid at the additional 6.67% pay increase when you leave. However, your balances remain unchanged. i.e. 240 hours is 240 hours you do not add. However, you will begin accumulating 8 hours a month once you make the move.

Q: How would flex time be effected on a 40 hour work week?

- A: I think it would work the same; it would still be up to the appointing authority. The half hour each day would be added to the beginning, ending or at the lunch hour. It would be an agency by agency determination.
- Q: Do you have any knowledge of what agencies have the inclination to go to a 40 hour work week?
- A: The ones who have wanted to go to 40 hours have. We see those agencies that are running 24 hour shifts as being the agencies that are probably going to go to the 40 hour work week. Before Finance moved there was 1/6 of the state work force at a 40 hour work week. 38 states have gone to the 40 hour work week.

DON DAMPIER – comment – Secretary Wilcher is interested in 40 hour work week.

ER – Yes. EPPC is interested in moving to 40 hour work week.

- Q: On Recommendation 23, who has already made a decision to make the changes in the reallocation of these changes? I have been demoted in this change. My supervisor says the reallocation was done by main personnel without any knowledge from them. I was 15 years as a grade 9 and now I'm a grade 8.
- A: I'm familiar with this. That was an ongoing thing that the Personnel Cabinet has been doing. Looking at this now we are going to make some changes on how they are done, how they are reviewed, really the Personnel Cabinet is in transition by the way it is doing business. We are trying to move more to the personal/customer services. In the future, we will be doing a better job at getting input from our customer.
- Q: Currently undertaken a reorg in CHFS, lots of people who were positions who had class titles of Exec. Assist., etc. and in the reorg are now in offices which those positions which aren't there anymore. Is this something that the task force can look at?
- A: We will bring this up to the Task force
- Q: Any discussion to going to a 26 pay period?
- A: There has not been any discussion.
- Q: On Recommendation 2, we have career paths in the Transportation Cabinet. We have now gotten word that we would not be doing promotions. How does this jive in with recommendation 2.
- A: It doesn't. That is an example of the overlying problem that we have with the merit system. There is a lack of uniformity in the system, there are cabinets doing different things, there are agencies and districts within the cabinet doing different things. If this recommendation goes forward than that will have an affect on appointing authorities across state gov't.
- Q: When will it be determined if these recommendations will actually be implemented and will employees have input into that?

A: It depends on the recommendations. Legislative, executive branch, administrative. We are going to take back all this information to the task force. We are going to need to talk with the people who will be implementing the change. Merit system reform is a long term process, its very complicated, when you change something it affects something else, so when you change something you have to be clear on the ripple effect.

Q: The merit system is kind of like our union, and I want to know if it is a personnel cabinet, or someone in the merit system, or who it is that we aren't going to get a 5% raise. Although our premiums have gone down on our health insurance, the co-pays, have gone up, if you consider the actual increase in expenses if you use the health care, you actually end up losing money.

A: The 5% is in the statute, based upon 2 things, the governor does a proposed budget and he may recommend or not recommend, then it goes to the legislature. The legislature looks at the priorities of the state. The 5% is different from the "rubber dollar" theory where pay adjustments are increased along with the governor's each year, the cost of living is different than the 5% in the statute. The health insurance issue is complicated each year the employee's contribution has remained level for a few years, while the cost to the employer has raised.

ER: To answer the question about who you should talk to, I'm here and this will be taken back to the task force, I think the recommendation to maintain the increment will stay.

Q: On Recommendation 25, what type of compensation is it talking about? On the performance evaluation system, is there any discussion with linking performance with pay raises?

A: There's been a lot of discussion to make sure the managers are trained on how the system works and how to implement it. There really isn't any practical training on how to go in and do a mock evaluation to determine what goes into the evaluation. The compensation this is the pay for performance idea. This would tie those raises to the performance levels.

Q: On Recommendation 24, I've been a state worker for 34 years, there is always concern with those new hires and those retirees, but not with those people who are long term employees, but not ready to retire.

A: In our discussions it's been the long term employees which we have been concerned with.

Q: With our agency they look at the new hires to be competitive with private sectors, the entry levels keep going up, while the mid-points don't. Min point is getting closer and closer to mid point.

A: We have a group that are experts – the Hay Group – compression issues can be tracked with the new HRIS system. Sometimes there are positions which are difficult to fine; we give special entrance rate for areas with high turn-over rates. ER- the issues that you have raised are very common, this issue comes back to the lack of uniformity, if you don't have salary ranges and you don't have uniform

rules you are going to have inequity. You will have people similarly situated, doing the same job, getting different pay. Until that is fixed these things will happen again and again.

- Q: On Recommendation 25 regarding Uniformity on Performance Evaluations. Everyone's evaluation is different, because assistant's do different things in the office. So you are evaluated on different things, so there are a lot of problems with some being evaluated in 2 minutes in the hall way, while others go through a grueling 1 ½ hour evaluation. Will this be more uniformed?
- A: That's one example of what I'm talking about; those people doing the evaluations should be using the same criteria. Again that comes back to the looseness in the system. The more I got into this, the more I wonder if its designed to be that loose, its easy to do whatever you want to do.
- Q: There was a push to have counselors be harder. Some actually took it to heart and did the evaluation properly, and other's didn't. Because of the problems the next time everybody did it their own way.
- A: There's a lot of frustration because people don't think it's an effective way to do evaluations.
- Q: On Recommendation 24 regarding maximum salary cap. If you hit the max, once you are at the max level you will get the raise in a lump sum? Surely you don't think that is fair?
- A: There are two sides; you can make it for new employees coming in.

**COMMENT AFTER SESSION CONCLUDED:**

Will they consider a 4 day work week. Benefits from going to a 4 day work week: especially with the revenue dept. and family services, etc., customer service assistants. Employees would be working later to answer taxpayers questions after business hours. Reduce the cost of gasoline expense to and from workplace. It would allow employees to personal doctor's visits, etc. on their day off during the week instead of missing work. Productivity would increase there have been studies from consultants out of Louisville that a 4 day work week v. a 5 day work week that concluded that the 4 day work week was more productive. This issue is being addressed due to the e-mail from Secretary Rudolph saving costs from fleet cars used unnecessarily to save gasoline expenses, i.e. travel expenses.



**TAB E**

**BOWLING GREEN**

**Attendance – approximately 110**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest.

#### Recommendation 1 & 7 - Political Discrimination

Recommendation 2: Implementation of new HRIS system. Can apply; make changes, change counties, etc. online so you won't have to come to Frankfort. The internal mobility function of the merit system will stay the same; we will still have it. However we will add a promotional track.

Recommendation 14: Grievance Process. 2 tracks. 1<sup>st</sup> track is grievance then peer review then personnel board. 2<sup>nd</sup> track is mediation, then peer review then personnel board. Right now there is a mediation option available but it is voluntary. Under the new system, if the employee requests mediation the employer would be mandated to go to mediation. This is to try to resolve disagreements quicker. Right now it takes about 6 months to get a case through the Personnel Board, secondly is the cost factor, currently the cost is upward of \$6500.

Recommendation 17: Drug Testing. Post-offer/Pre-employment – new applicants only. 2<sup>nd</sup> is Reasonable Suspicion testing that involves someone in the workplace suspected of being under the influence of drugs or alcohol while in the workplace. 3<sup>rd</sup> is Random Testing for limited personnel only (i.e. corrections officers, nurses, those in charge of children, etc.)

Recommendation 18: Military Leave – additional week of military leave to bring up to federal leave.

Recommendations 20, 21 & 22 – EEO & Affirmative Action.

Recommendation 23: Reduction in classifications in merit system. Re-occurring recommendation recommended in 1993 & 1996. Classifications are building blocks to the merit system.

Recommendation 24: Maintain annual increment – Maximum salaries. Task Force is very sensitive to the effects of maximums to long-term employees and employees approaching retirement. There is discussion to make this recommendation pertain to new employees only.

Recommendation 26: 40 hour work week. 6.67% pay increase. Agency would have to have the budget to do this. Could have a negative impact on employees approaching retirement – those persons could be allowed to opt out and maintain working the 37.5 hour work week.

Secretary Roberts then opened the floor for questions.

Q: On Recommendation 24, many times grades stagnant and talking about having a min, mid & max with inflation and rising cost of living has any talk been given to adjusting those over the years.

A: Right now the Personnel cabinet does a market survey of salaries to see if consistent with market. Over the years it's been 1% - 2% increase. Governor's salary is set by the constitution, but the constitution "rubber dollar" theory. Each year cost of living is calculated and raise the governor's salary and then the pay grades are adjusted. Also, if we have maximums those surveys become more and more important and we will need to make sure that the salaries are still competitive with the market.

Q: Two individuals you talked about which were merit employees are retirees, why aren't current merit employees are the task force?

A: There are two current merit employees in addition and they have represented the employee's interests well. Also 9 employee organizations were represented as a panel.

Q: Who are the legislatures?

A: Rep. Mike Cherry, Sen. Dan Kelly, Rep. Jeff Hoover, Sen. R.J. Palmer.

Q: Grievances went all the way to agency level then I was not able to talk to anybody else.

A: That's what we need to look at – whether the current grievance process works. When we first looked at this we determined that no agency could give you statistics on tracking the grievances through the various agencies. One of the recommendations is telling the personnel board to track those grievances. The grievance process is separate from the personnel board. Grievance procedure is on the personnel cabinet website it tells you what you can do. ER – we should provide employees with information to the employees so that all employees understand what options are available to them.

Q: Your name has to be put in for ACE/ERAs. Is there going to some kind of committee that looks at who gets ACE/ERAs?

A: You've hit on good points; there isn't uniformity within cabinets, agencies, districts, etc. The only thing the Personnel Cabinet has to do with the ACE/ERA is the regulation of those awards. The personnel cabinet just has to determine if the recipient meets the criteria and that the agencies are within their allotment.

COMMENT: If it's not broke – leave it alone.

Q: If they tell you they will get back to you in 3 weeks, they should. Why don't you answer in 3 weeks?

A: Personnel Cabinet doesn't handle grievances, your personnel people do that, and you would have to check with your personnel people.

Q: There's not someone in Frankfort that can help get you through the process?

- A: If you call the personnel cabinet and tell that you have questions on the grievance process. You can call the office of the secretary. It's also on the website. The grievance form and process info is on the website.
- Q: On recommendation 26 how would this hurt upcoming retirees?
- A: Calculation of time lets say you have your full time in and you want to roll that sick leave into your account. When you go to 40 hour work week, that time goes to 8 hours so you have to work more days to get to complete weeks. The plus side is that even though you earned the time at your 7.5 hour rate of pay, then you will get paid out at your new 8 hour rate of pay (6.67% higher).
- Q: Will we still be able to purchase time?
- A: Yes.
- Q: Regarding Recommendations 23 & 24, Some of this has been arbitrarily done, and she got this e-mail that said she got a new job title and there "probably" won't be a decrease in pay, but she would get a P1 in the mail. Out in the real world changing classifications may look good on paper but in the real world doesn't work. I'm in a cabinet that got ate up in a reorg. And as for the makeup of the task force, there is only 2 people on the task force, but those people are not what we consider rank in file employees. As for salary caps, there used to be a lot of benefits to be a state employee, but health insurance gets steadily worse over the year. Health Ins. Used to be a benefit, job security used to be a plus, the 5% used to be a plus, and all those things are gone. If you put these salary caps in you won't be able to staff the state.
- A: Secretarial reclassifications is part of the routine work of the personnel cabinet and isn't part of the big collapse of classifications. If this recommendation goes forward, then we will get back together with the employees to discuss the issues before it happens. If there is a maximum salary it creates a structure to work within or else you get pay inequality. You may have someone with lots of years making less than someone who is just coming in. In the federal system there are maximums, but you have steps for salary increases.
- Q: There definitely needs to be equality in pay, it happens in our office. But caps aren't going to work.
- A: You have to have structure.
- Q: Is Recommendation 2 going to make it easy for people to hire their friends?
- A: Its having someone who is ready and qualified for promotion to be able to be promoted.
- Q: How about peer review?
- A: Group of peers will not work in your office, but they will travel to you, so you won't have to come to Frankfort.
- Q: Does the merit system process really produce qualified people?

- A: How do you defined qualified, first step is defining qualified, which goes back to the classification and how their drafted, if you have clear standards for classifications then you can't just bring someone in who meets the minimal.
- Q: I think there needs to be formal education about what the merit system is.
- A: There is an employee handbook; we can't make someone conduct orientation. Currently it is left up to the agency.
- Q: Qualifications and how everybody should have qualifications, so say I was qualified for a job and got moved up. Why is somebody who has no experience at all, and they pull someone off the street and move them straight up?
- A: I think that is an internal mobility question.
- Q: E-mails should have been able to do those anonymously.
- A: Yes maam. I assure you that know one is researching those to find out who sent them. You could send an e-mail from a home account.
- Q: How are market surveys conducted? The 40 hour work week – all employees are paid by salary not hourly.
- A: Done by state by state, and region by region, one by occupation. Employees are not all paid 40 hours.

COMMENT – Years ago all new employees went to a uniformed Orientation. It needs to go back to that, so all employees throughout state government.

**TAB F**

**COVINGTON**

**Attendance – Approximately 42**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest.

Recommendations 1 & 7 – Penalties for political discrimination, keep same (misdemeanor), make felony; and make civil with fines. Which ever option is decided we need to make sure that the provision that deals with that is clear. It lays out what is a violation and what is not. Right now it basically says thou shalt not commit political discrimination. We need to have clarity in what is a violation. We can't forget about the victim of the discrimination. We need to have clear mechanism to make the victim whole.

Recommendation 2 – HRIS System. Infrastructure that helps run the program for the state. In planning for the new system, we have personnel process which have to be merged into the new system. Some of the tools which will come out are: you will be able to apply, update, change your counties, etc. online. Also will be able to take test out in the state. The other portion of this recommendation is that there is a small change in which promotions would be handled. Addition of career paths. There will be a way to promote without having to go through the register process. If no candidate for promotion, you will then pull the internal mobility register, then the competitive register.

Recommendation 14 – Grievance Process. Now have a variety of ways to file a grievance. Proposes 2 tracks to help add things that will help resolve disputes quicker and less costly. 1<sup>st</sup> track is Grievance Process, then to peer review, then personnel board. 2<sup>nd</sup> track – mediation, then to peer review, then to personnel board.

Recommendation 17 – Drug Testing – post offer/pre-employment drug testing for new employees. 2<sup>nd</sup> reasonable suspicion; 3<sup>rd</sup> random testing (personnel charged with caring for others, correctional officers, nurses, child care, etc.)

Recommendation 18 – Military leave – give additional week of military leave to serve the country.

Recommendations 20, 21, & 22 – EEO, Affirmative Action. Disparity system to determine if there are any adverse impacts on protected groups. New Affirmative Action Program.

Recommendation 23 – Reduction in number of classifications. This recommendation has been made before in 1993 & 1996. They were reduced now previously but now we are back up. Classifications are the building blocks for the merit system. They set the pay grades, etc. If classifications are squared away there will be issues with the merit system.

Recommendation 24 – Maximum salaries. Maintain the annual increment. Will help solve pay inequality issues. Market survey to keep up with the private sectors so that state can be competitive, maximum salary will be adjusted accordingly. Task force is

aware that this issue can affect upcoming retirees and long-time employees; discussion is to make this for new employees only.

Recommendation 26 – 40 hour work week. Agencies must have the budget for implementing 40 hours work week. This will be implemented cabinet by cabinet and agency by agency. Leave balances would move forward and would accumulate leave at 8 hours once on the 40 hour work week.

Secretary Roberts then opened the floor to questions.

Q: Reduction of classifications – what would happen those people that those classifications are eliminated. Do you anticipate that people will be losing jobs?

A: No, what we will do is write classifications board enough to cover job duties. Part of it would be having steps so that there will be several promotions within those classifications.

Q: So you don't expect any loss of jobs?

A: No, when the classifications are done. The classification describe it as a whole, the position description may be different agency to agency. The reduction will be in consolidating all different types of branch managers into one classification of branch managers. (ER) – no moves to lay anybody off, it's just a move to organize the system.

Q: It is very reassuring to have a Secretary to have a Secretary who can relate to our position. You are unique to the administration, and appreciate you coming here. What is your position on capping out current employees?

A: Thank you for the compliment, I appreciate that. It is interesting because I know how hard folks work, sometimes you don't have enough staff or money and you still get the job done. I think we should grandfather current employees out to avoid hurting employees.

Q: I feel less valued under this administration than any administration I've worked under. I think violations of merit system, should be stronger. I don't think administrations should not come in and clean people out of their jobs.

A: If you look about 61% of non-merits are holdovers.

Q: I've been in state gov't for 4 years; I know there is a lot of inconsistency within departments. For example, the workday. Hours should be the same to each department. Shift premiums I guess have shift premiums and some don't because of that you create morale problems. Employees find out that another employee gets shift premiums while another does not.

A: State government is quite fragmented. Personnel Cabinet has broad abilities to make sure regulations are carried out. But you have agencies that do their own thing. I don't know what the answer is; I think we need to get uniformity throughout state government.



- Q: Is there any standardized time sheet, for reporting time?  
A: There should be. (MH) – There is a standardized work day it is 8:00 – 4:30. However, the decision to alter that work day is with the appointing authority, its “flex time”. We have the MARS time reporting system. You may have a different time sheet, but once it gets back to your personnel dept., it is done the same system. (ER) – another regulation is having a uniformed leave slip. Have one that has all the different types of leave. Just another small attempt for uniformity.
- Q: If I wanted to suggest a shift premium, would I work through my own department?  
A: It would be through your own department.
- Q: On the steps in grade, has there been any consideration to look at the population where people are being hired. For instance, in Cincinnati, you can’t often get good quality people for jobs because of the competition with private sector.  
A: I think what you are talking about is “locality pay” in the federal system. That has not been discussed, there’s a lot more detail that can be put into these recommendations.
- Q: If you are going to do reclassified, has it come up to do site visits and actually do a desk audit?  
A: That’s the kind of detail that is going to be needed to do this. We will have to be careful and take the time to get the expertise. This is the kind of thing that we would have to bring in some expertise. We would definitely have to get input.
- Q: When you apply, you need a resume. Now that I’m in state government I’ve noticed that my experience outside of state gov’t is not valued. In promotional tracks, will past experience be taken in consideration for such promotion?  
A: It should, your full experience should count.
- Q: I noticed on one of the recommendations – recommendation 25 training supervisors for evaluation. That’s a good idea; I think it is necessary for supervisors to be able to adequately conduct that evaluation. Currently 2 days for outstanding, 1 for extremely effective. Is there some way to up that? I think if that can be done, it would really make a true incentive.  
A: I understand where you are coming from. I went to the training as well. Johnny Keene at the per. Cabinet does the training and does a good job. The next step is actually showing people how to evaluate. Right now we have a lot of people who come in as outstanding, highly effective. I know we have good people out there, but what we’ve heard from employees is that I work hard and my co-worker doesn’t and we both score the same. We did talk about the reward; one of the things discussed was maybe having a monetary reward. But again that’s a budget issue. There were also discussions to pay for performance where the evaluation drives raises, etc.

Q: While you are on the evaluations, when they were started, you started at 5 and go down. Now my understanding is you start at 0 and work up. I also understand that ACE/ERA are going to be based on your evaluations.

A: That may be so in some agencies. You actually don't start at 0 because it takes in consideration just showing up.

Q: What are ACE/ERAs awards?

A: Achieving Excellence award – salary adjustments. The ERAs are lump sum awards.

Q: Do all agencies do these?

A: Some agencies have policies where they don't have budgets for this, some agencies have policies against.

Q: I've never heard of these.

A: They depend on budget, at one time the use of these were suspended. Some cabinets may have the money to do it, and some that don't.

Q: When someone gets those awards is that something that is broadcast?

A: I don't think there is a presentation; I think it's the supervisor talking with the recipient.

Q: This creates a real morale problem. I didn't even know about these until I read the recommendations.

A: We see them all, they come to us for concurrence, I know there has been some in transportation, you really have 9 / 10 separate state governments and people

Q: Regarding Recommendation 5 – This looks like any changes made through this task force could be undone at a later date? What are these "previous recommendations" that have not been implemented?

A: This recommendation would take a look at the recommendations from 1993 & 1996 and do an annual report and an annual review of the merit system.

Q: What does the Fletcher administration have in mind when revamping the merit system?

A: I think the recommendations have laid out a good line of what the task force is looking at. (MH)- there has been a move to hire a more reflective employee base which reflect the demographic of the state. The last time a change was done was in 1982. One of the biggest problem is you can only get on 15 registers. With the new system, you we have the technology to allow you to get on as many as you want; however the law will prohibit us from doing that. (ER) – depends on who you are talking about when you are talking about the administration. Gov. is waiting to hear from the task force and will move from there. Same thing with the legislature, I'm sure at sometime I will be testifying before a subcommittee about some of these recommendations.

- Q: Recommendation 18 – increasing military leave time. To be honest in time of war, I don't think 20 days is enough.
- A: This makes the state's policy in line with the federal system. The best thing would be for the state to match the difference in pay when called up. It's a fiscal issue.
- Q: On the reclassifications, is there going to be an effort to maintain pay grade salaries when you go to consolidate these classifications, I can foresee some people losing a pay grade, how much of an impact to you see for that.
- A: As we make changes, I think it would be very rare that we would reduce someone's salary; there are occasions where pay grades have been reduced, but pay remains the same. It's going to be done very carefully. I'd be surprised if we took money away from anybody.
- Q: I know there was something done with the secretaries. I know a grade 12 left and I'm a grade 10, we have a lot of good secretaries our promotional
- A: We need to look within the personnel cabinet at how we process these types of things. We actually had a staff meeting today to talk about how we do these types of things better. The changes with the reclass also goes with the reclass. If you compress these things, you need to have steps for promotional consideration.
- Q: Recommendations 14 & 15 – concerning the process where you are hired in under a certain class and then you are doing both jobs, because there is no money to hire to do both jobs. Then the job opens up, and you don't get it, and you file a grievance. I don't understand the grievance process the bucks stops within the dept. or agency and doesn't go any further than that, and I don't know so I think this recommendation will address this.
- A: There are two things happening within the recommendations, reclassification some times there's more pay sometimes there's not, if there is a promotion that is more employee friendly. With the situation you just described, because promotions will be permissible, you will be promoted. Right now they can't just pick you, but this would remedy that. The other thing is the grievance piece. Grievances are handled in each cabinet individually, I started asking how many grievances do we have, what kind of grievances do we have, and nobody knows because no one is tracking this. One of the recommendations is that the personnel board will have to track this so we can determine if it is effective or if it needs to be changed, or a new tool created for employees. I feel very good about mediation, because that is something that is tracked. It is easy for employees because the mediators come to you.
- Q: Another job classifications where you go right away agent, I, II or III. There's no salary increase from a II or III with additional duties.
- A: That blows my mind; you would think you would bump them up some. If you're going to assign someone more job duties, you need to compensate them for that. There needs to be a family of job families so there are promotional ranges in each.

Covington  
Thursday, October 27, 2005

In closing, if you are interested in knowing more about the task force on our website, there is a link to the merit system task force, because you can relive all the meetings. KET has done video streaming.

**TAB G**

**PRESTONSBURG**

**Attendance – approximately 90**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest.

Recommendations 1 & 7: Political Discrimination. Three proposals...1 keep as is, 2<sup>nd</sup> is to make felony, 3<sup>rd</sup> is to make civil with fines.

Recommendation 2: HRIS System. More employee friendly. Online application, updating, testing, get on registers, etc. Internal Mobility will remain. Internal candidates will continue to receive preference. One proposal to enhance internal mobility. Method to create a career path.

Recommendation 14: Grievance process improvement recommendation. Personnel Board is so busy it takes along time to process a grievance – about 6 months. Also, the average case is approx. \$6500 plus the cost of attorney to employee. Two tracks to help resolve grievances, appeals quicker and with more cost effective way. 2 tracks a grievance track and a mediation track. Employee picks one of the tracks. 1<sup>st</sup> track is grievance track, first file grievance then peer review committee (panel of merit employees from a different office and give n opinion on how the grievance should be resolved, if no resolution then to personnel board. The mediation track is the same way. Currently mediation is available on a voluntary basis. We have found that mediation has a high success rate. The employee chooses mediation; the agency is required to go mediation. A third party would come to you, sit down with the 2 parties and try to get a resolution, if doesn't work then to peer review then to personnel board. Currently the grievance process is not being monitored; under this recommendation all grievances will be tracked.

Recommendation 17: Drug Testing program. 3 types of drug testing for state employees, only applies to 18A employees both merit and non-merit. 1<sup>st</sup> type is post offer/pre-employment only applies to new applicants. 2<sup>nd</sup> type is reasonable suspicion. Employee who is at the workplace under the influence. 3<sup>rd</sup> type is random testing – Aimed at having a deterrent effect. Limited to personnel in public safety positions, care of children, nurses, etc.

Recommendation 18: military leave – additional week of leave. In line with Federal Civil Service.

Recommendations 20, 21, & 22: EEO & Affirmative Action Program. Disparity Study to determine if the merit system affects members of protected classes in an adverse way. Training supervisors and managers to execute the EEO & Affirmative Action Plan

Recommendation 23: Reduction of Classifications. This is a reoccurring recommendation. Recommended in 1993 & 1996. Classification system is the building blocks for the merit system

Recommendation 24: Maximum salaries. Recommends maintaining the annual increment. Annual increment has been something that has been done away with in the past years because of budgetary restraints in the legislature. Maximum salary range. This adds structure to the pay scale for state employees. If this change happens we grandfather out current employees, and make this law for new employees only. Will continue doing annual market surveys to determine salary adjustments which are needed and will increase the maximum to be competitive with the market. There is currently a lot of pay inequality in state government this recommendation will help fix that inequality.

Recommendation 26: 40 hour work week. It is currently possible for agencies to go to 40 hour work week. Recently Finance Cabinet, Dept. of Corrections & Dept. of Juvenile Justice have gone to a 40 hour week. If the agency goes to the 40 hour work week, employees will be compensated for the additional time which would equate to a 6.67% increase. The way finance did it is 1<sup>st</sup> you have to have the budget to do it. Finance had a lot of vacant positions which they gave up. Agencies who have a 40 hour work week can recruit more people because of the additional pay. Agencies who don't have it are losing personnel because of the increase pay at the agency having the 40 hour work week.

Secretary Roberts then opened the floor for questions.

Q: Example of one of the Classifications that have 5 or less.

A: Economic Development – created 6 new classifications Economic Area development officers. To have specific job duties specific to their cabinet & agencies. (this has 6 employees, current merit employees moved into that classification.)

Q: Yearly increments end for employees who have reached the maximum

A: Once you got to the maximum you would be eligible for lump sum cash awards that would be equivalent to what the increment would be.

Q: Would that be based on your performance or automatic to everybody

A: I think for everybody, pay for performance will be end there.

Q: When will we know if this will be changed?

A: When the legislature changes the statutes. This would require a change in regulation. We will know what the task force's recommendation is after the next meeting.

Q: Updated changes will be made know to us, you'll let us know in the next meeting

A: Yes, they will be on the website, posted. This will be a long term process, especially with any maximum any classification changes. This will be a first step, then a legislative process.

Q: Elaborate on the process where this goes from here.

- A: All the questions are taken down and will be compiled and a FAQ will be on the website, everything we have will be organized and provided to the task force members. We hope to get that to them at least 10 days before the next meeting. ER will report what he has heard and seen in a summary fashion, what the employees are interested in. From there the task force will vote. I think we will have some new recommendations, for example, implementing a new employee orientation program. Recommendations will go to the Legislature, and to the Governor. It will go to the folks who will be responsible for implementing changing. I will continue to urge you to provide your comments, questions, e-mails, etc.
- Q: How will it work to apply how will that improve.
- A: Things are primarily paper. We don't have a lot of technological abilities. With the new system you will be able to post your resume online, for every classification you want to be on a register for. Because of technological restraints currently you can only be on 15 registers. With new system you can self-select which registers and can be on as many as you want. Hiring Authority can run inquiry for specific knowledge and skills. Testing can also be done online. This will be in a proctored environment.
- Q: What are the correct steps for filling a position within an office? Should the supervisor be allowed to fill the position without posting, having an employee in an acting position until they gain enough experience to qualify?
- A: These are posted on our website. Having employees in an acting position until they qualified is one of those things that are created by the looseness in the system. Because of this you have a lot of different things being done in the various agencies. The authority that is delegated to each cabinet to make their own personnel decisions. Its one of those tricks if you will in the merit system and you can do it. There is nothing that can prevent that from happening.
- Q: Drug Testing – is there going to be where every one in the division will be drug tested not just the CDL drivers. They don't test anyone in construction, etc.
- A: All new applicants, and any one in the workplace who is suspected will be tested.
- Q: In district 12 they only test for marijuana and cocaine, they don't test for pills. What type of drugs will be tested for?
- A: All illegal drugs, prescription drugs will be trickier. It will model the federal civil service. They will test for levels.
- Q: Some things don't show up in urine test.
- A: Its going to be a lot like the peer review panels, you've got to make sure you don't have the fox guarding the hen house. All these procedures will have to be looked at well. We would use laboratories that are outside state government.
- Q: Less and less jobs are placed on the register for testing and more for qualifications.



A: We receive a request from the agency to change the position from testing to qualifying and stating the reasons for this. They feel the qualifying method will give them the best candidate for the job. In the media they've presented it as if the administration is trying to make people do, when really we are just authorizing the requested change. The testing program is ineffective. Some of the tests haven't been updated or improved for the position. So you can get people who test well but can't do the job.

Q: Is there any study that has been done that shows a correlation that testing does not find the best candidate.

A: There are, but tests are only one factor, the person still has to be able to interviewed and able to do the job.

Q: There's been some discussion about listing some positions as internal mobility only. Some people think of that as discrimination also.

A: For example, if you have a female job candidate who is qualified to do the job and is outside of state government. And an internal candidate who is a male and is inside of state gov't. The male would be selected. The female may feel discriminated against. It goes a little further because the statutes contradict each other. You have one statute that says you won't hire by discrimination and then you have another that says you will hire someone within a protective classes. There needs to be a balance.

Q: But don't you find that in all sectors. I think the people who come in to state government should be able to be promoted.

A: I think it's a balance.

**TAB H**

**HAZARD**

**Attendance – approximately 67**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest.

Recommendations 1 & 7: Political discrimination. Split three ways. Keep as misdemeanor, make a felony, make civil with loss of job and fines. We need to make it clear what is not permitted. Other focus is making the victim of the discrimination whole. We need to have something in place which takes in consideration the employee's position, i.e. get the promotion, giving the job.

Recommendation 2: HRIS system. New computer system to help run the merit system. With new technology the applicant will be able to apply on line, update, get on register, change counties, testing, etc. Include promotion career paths or career ladders for internal employees. Internal mobility will remain but if you have a position vacant in your office, and you have someone in house who is ready to be promoted you can promote them without going through the entire register process.

Recommendation 14: Grievance process. Long process about 6 months to get to Personnel Board plus it costs about \$6500. Create two tracks to help resolve grievances and appeals quicker and more cost effective. Track 1 is the grievance process, then peer review, then Personnel Board. Track 2 is mediation track, then peer review then personnel Board. Mediation would be mandatory to the agency, if the employee requested mediation the agency would have to take part, the mediator would come out in the state to the employee, if this did not result in an adequate resolution then to peer review then to Personnel Board.

Recommendation 17: Drug Testing. Three types of drug testing. 1<sup>st</sup> is post offer/pre-employment for new employees only. 2<sup>nd</sup> is Reasonable Suspicion – if suspected of being under the influence in the workplace; 3<sup>rd</sup> is random testing – Those with CDL Licenses, nurses, people in charge of children, heavy machinery operator, positions of public safety or high sensitivity.

Recommendation 18: Military Leave. Giving an additional week of military leave to serve your country. In track with the federal civil service military leave policy.

Recommendations 20, 21 & 22: EEO and Affirmative Action. Conduct disparity study to see if people are being treated unfairly in regard to one of the protected classes. Affirmative Action Plan and EEO policy to be updated. Train hiring personnel to understand how the EEO and Affirmative Action Plan are to be utilized.

Recommendation 23: Deals with the reduction of classifications in the merit system. This is a reoccurring recommendation was made in 1993 and again in 1996, and again now. Classifications are the building blocks of the merit system. Must have a good classification foundation to have a good merit system. If the classification system is faulty the merit system will be faulty as well.

Recommendation 24: Task force is recommending that the annual increment is being maintained. The annual increment is one of those issues that are an executive and legislative issue. Legislature would have to look at the annual increment from a budget standpoint and make it work. Adding a maximum to each salary range. This recommendation was made first in 1996. This is an attempt to add structure to the pay grades. We've heard it a lot in these meetings that because there is no maximum there is a lot of pay and salary inequity. Because there will be two people who have the same experience, knowledge and skills and one will be paid one salary in one area and the other will be paid differently even though they are conducting the same job responsibilities. The task force had a lot of discussion about the impact that this would have on those reaching retirement and also current long-term employees. There would be a provision to do a lump sum award to those long-term employees. It was suggested that if maximums were put in that current employees be grandfathered out and only apply to new employees. Every year the personnel cabinet does market survey to determine competitiveness with industry. These surveys will become more important with maximum salaries so that the maximum range could be adjusted with inflation as needed.

Recommendation 26: 40 hour work week. There are already some employees who work a 40 hour work week. This recommendation is to see if it could be expanded, if it is practical to be done. Two things to make this work. First of all personnel must be paid additional for the additional time, some agencies have the budget for this and some do not. Finance, Corrections, and Dept. of Juvenile Justice has done this. Finance was able to do this because they had about 100 positions that were unfilled that they gave up to come up with the money to pay the 6.67% increase in salary. The folks that currently have this do not want any other agencies to have it because they use the additional salary as a recruitment technique. If the agency goes to a 40 hour work week you will accumulate leave on the 8 hours, but your current leave balance would move forward without change.

Q: According to news reports since the task force was empanelled. There wasn't going to be any input from rank & file employees until recently. Are we really going to have input.

A: From the very first meeting, I told the task force and all that would listen that employee input is very much needed. We have gone through several stages, we have the web e-mail link which has gone to the task force, we had employee organization leaders who presented as a panel to the task force, and we have merit employee representation on the task force. I'm here as a member of the task force but also as Personnel Cabinet Secretary. I thought we need to do this myself. The reason it was done later on, was because the task force had to get up to speed with the merit system. Then I was going to do it sooner, because my wife & I had twins. I always wanted to do this; I think it is the best way to get to the bottom of this.

If you don't feel comfortable you can write your question down and we will read the question.

- Q: Dept. of Public Advocacy (lawyer). As far as the drug testing you are opening up can of worms and liability because this can be misused in many ways, I don't know that you could write in enough safeguards to keep it from being abused. Second comment is by having the classification pay statewide you will have some regions having a hard time getting qualified personnel.
- A: These meetings have been very eye-opening to me. It is good to get out and see what the people are going through outside of Frankfort. We wouldn't be looking at trying to reinvent the wheel on drug testing, we would be looking at adopting other state's policies which have been tried and tested. Locality pay has come up and it's a note that we are going to take to the task force. This will also be available to the legislature and the governor for additional recommendations.
- Q: Decreasing qualifications for rural areas so that they can get people to fill positions.
- A: We'll pass this along.
- Q: Interim Employees be subject to the drug testing
- A: Yes.
- Q: When we look at the classifications if there is a classification that has 10 people in it will you just look at the number or will you look and determine whether the class is actually needed?
- A: We will look at it carefully to make sure the unique classification is justified.
- Q: When I was hired drug testing was not contingent upon my employment and I am not inclined to go along with this.
- A: The drug problem in Kentucky is very well documented. There has been a couple of pilot programs – one in Corrections and one in juvenile justice. Out of 25 applicants 8 or 9 tested positive. The next is where you hear about it by word of mouth. You hear it a lot you hear it over and over again, I'm not saying there are a lot of employees out there on drugs, but one is too many. We are required to have a drug free workplace.
- Q: I know what the requirements are. Why would you want to change the rules now?
- A: Let's talk afterwards.
- Q: If someone tests positive, you won't be able to fire them you will have to get them treatment. We can't get our increments and now we are going to pay for that.
- A: Currently we have KEAP and the costs of the rehab and insurance usually pay it.
- Q: I hope that these decisions the cost should weigh heavily.
- A: Yes, of course.
- Q: What effect will the 40 hour work week have on sick leave?
- A: You will accumulate at the 8 hour work, but what you had before will stay as is.

- Q: How long does it take to get an answer for a reallocation request currently sent to Secretary Roberts?
- A: Please come up and we'll discuss this afterwards
- Q: Based on age, no promotion for older career employees. COMMENT take care of senior employees.
- A: Again this is what the grandfathered clause would do.
- Q: How is the max on the salary caps determined and from the perspective to get new employees into state employees as people retire? Wouldn't capping hurt the recruitment process?
- A: Kentucky uses the HAY system (an HR Consulting group) they would come in and do an in depth market survey on salaries and figure out what maximums would be. The promotional recommendation you will add steps so people can progress up the pay scale. You would have to do it carefully and smartly.
- Q: Would you provide a list of the people on the task force and their job titles?
- A: All this is on the Personnel Cabinet's website. All the minutes from all the meetings, the presentations, etc. Also there is an e-mail link which you can send your comments and questions.
- Q: In looking at classifications and due to the workforce there is no doubt that change may be needed. When the HAY study was done in 1996 a lot of money was paid, is there another method to get this done to save money?
- Q: With the caps you have someone making \$30,000 and the maximum is \$25,000 would the person be bumped up to the next pay grade.
- A: That's what we were talking about, that's why you would need to grandfather currently employees out.
- Q: On the average how many years must be worked before a staff can reach the midpoint for this pay grade?
- A: It's all over the board. We have a merit system for the state, but we really have a bunch of merit systems within the state. It's up to the appointing authority to decide a whole mired of things including how people are paid. As long as you have.
- Q: Are these recommendations going to tie up some of the loose ends. I know there is a lot of disparity between salaries doing the same job.
- A: Again that's the looseness of the system. Really where you see it the most is pay.
- Q: I've heard rumors that there might be a move to get rid of people close to retirement.

- A: That is something that is determined by the retirement system. We are actually trying to prepare for it at the Personnel Cabinet. I have heard that they may change the pay factor. These are questions for the retirement board.
- Q: I'm a field inspector and I guess in Frankfort you can move up as far as you can go. If you are in the field and you cap us there is no where to go.
- A: To get a lot of advancement you have to come to Frankfort, I don't know why that is.
- Q: State gov't needs to think outside the box and implement
- A: We're trying.
- Q: On the background checks with applicants, will the personnel cabinet be sharing that information with the appointing agencies.
- A: It's on the initial application that we do the background checks. Once that's screened out and the person has been not been put on the register. The NCIC recommendation would give the Cabinet authority to look at the employee and that information will be shared with the agencies.
- Q: Future hiring process, qualifying, & register process.
- A: It will be the same. We'll still have internal mobility and competitive registers. The main difference is promotional tracks. A supervisor will be able to promote a person without having to do the register process if the employee is qualified and promoteable. You will be able to basically self-service, make changes to your application, put yourself on registers.
- Q: We need access to vision and dental insurance, a payroll deduction group policy needs to be available.
- A: You have dental and vision available to you on your own. One of the things we've been looking at is grouping that together to use our bargaining power to get a better contract for vision & dental insurance.
- Q: Why not allow public employees to run for political office not just those non-partisan offices?
- A: A lot of AG opinions from the late 70s ruled that a public servant is a public servant and can't serve two masters. It is a constitutional issue for salaries. Part of what you give up is your right to run for political office, this comes from Supreme Court decision.
- Q: Why can teachers run?
- A: They are not 18A employees, and they are not at will employees they are contract employees. There is difference, they can be let go. After 5 years they are tenured.
- Q: When this system gets going its going to be great. This sounds like it's a done deal.

- A: No, this is far from a done deal. There is a lot that has to be done. The personnel cabinet is stuck in the middle, but we can't program the new system until legislation is complete. A lot of these things are long term deals which are going to take a while to put in place. Some require legislation change, regulations would have to be promulgated and made into law, there are some things that are executive that the Governor can do, and some can be done at the agency level.
- Q: Is the reorganization is still in, and been signed off.
- A: There has been some reorganization, but I'm not sure of the status of the Transportation Cabinet. We process them after they are done.
- Q: Worked for 20 years, administrative manger over personnel at transportation cabinet as of November and told me that they no longer needed me, they moved a person in to my position with 3 years of experience.
- A: If you feel that you have been discriminated again, I would file an appeal with the personnel board. My authority is limited I have the ability to investigate. You've got to execute your rights.
- Q: I brought this up to Mr. Nighbert 3 weeks ago, and he couldn't tell me what was going on. I'm starting to get mad.
- A: You've got to pursue your rights to the board, if you feel it is a crime take it to the AG. The personnel cabinet has very little control. There's not much we can do, we can't forward it to the personnel board on your behalf you will have to do that, I could pass it along to the AG for review.
- Q: In regards to ACE/ERAs can you elaborate more on that?
- A: The recommendation is to try to connect those more to the evaluations, and use those more. Right now people get a couple days leave for exceptional performance, trying to use ACE/ERAs for performance.
- Q: Is there something there for furthering education?
- A: I'm not aware of any.



**TAB I**

**KY DAM VILLAGE**

**Attendance – Approximately 60**

Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then introduced Representative Michael Cherry.

Representative Cherry makes remarks – task force has taken unbiased look at the merit system. We are committed to not doing any thing to weaken the merit system, but to strengthen the merit system. If we don't come out with unanimous issues then it is pretty well deemed dead with legislation. Happy to be here, been with the task force from the get go, it has been a rewarding experience, my daddy was an old merit system employee (correctional officer). I've seen the merit system since its inception.

Secretary Roberts then went over the proposed recommendations which have shown the most interest.

Recommendations 1 & 7: Political discrimination issue. The task force is considering three options when it comes to how to handle political discrimination. 1<sup>st</sup> option keep misdemeanor, 2<sup>nd</sup> make felony, 3<sup>rd</sup> make civil with loss of job and fines. ER would want to have provisions about what happens to the victim, wants to make the victim whole.

Recommendation 2: New HRIS system. New system will allow better technology and capabilities. The new system will be able to allow personnel to apply online, change counties, place self on register, test, etc. The new system will be self-service, employee friendly. Allow a career ladder, promotion ladder within the system. The internal mobility will still be here, but the new system will allow for someone in the office who has been there and been doing a good job and is promoteable they can move up, without going through the register process.

Recommendation 14: Mediation process. Attempts to address the grievance process for state employees. The personnel board works very well, but have staffing and funding issues which causes cases not be completed quickly and is costly (currently about \$6500 per case for the state). Two tracks – 1<sup>st</sup> track is grievance. File grievance if that doesn't work then to peer review if that doesn't work then personnel board. 2<sup>nd</sup> track is mediation. File mediation (mandatory for agency, mediator comes to the employee), if that doesn't work then peer review then personnel board. Also currently grievance process isn't monitored. This recommendation provides that the personnel board monitor grievances filed and mediation.

Representative Cherry – The personnel board has not oversight, this recommendation combined with recommendation 15 would require legislative oversight and make the personnel board report to the legislature with the cases it handles (but we wouldn't get to personal cases). How does it rule statically, etc.?

Recommendation 17: Drug Testing. 3 types of drug testing. 1<sup>st</sup> is Post offer-preemployment – only applies to new applicants. 2<sup>nd</sup> is reasonable suspicion – employee in the workplace under the influence of drugs or alcohol can be tested. 3<sup>rd</sup> – random

testing – only for personnel in high sensitivity jobs, i.e. nurses, child care providers, public safety positions (correctional officers).

Recommendation 18: Military Leave – additional week of military leave. Brings up to the federal leave policy

Recommendations 20, 21 & 22: EEO & Affirmative Action. Disparity Study – to see if there are any adverse effects on members of the protected classes in state hiring. Provide training on how to implement the affirmative action plan. Update the Affirmative Action Plan.

Recommendation 23: Reduction of Classifications. Classifications are building blocks for the merit system.

Recommendation 24: Maximum salaries. Maintain the annual increment. Task force thought of long time employees reaching retirement. These employees could be grandfathered out. Needs structure within the pay system so that we don't have pay inequality within the various cabinets/agencies. Market surveys would be necessary to make sure the maximum salaries are adjusted for inflation and cost of living so state employees are competitive with the market.

Recommendation 26: 40 hour work week. Currently there are state employees who work a 40 hour work week. Currently it is permissible and is up to the agency. This recommendation encourages that to see if it is a good option for their agency.

Secretary Roberts then opened the floor for questions.

Q: Who appoints the peer review?

A: That is a good question. These recommendations are very general and the detail will be put in later. I would envision that the employees of the agencies would elect peer review committee and these people would rotate on and off. There are other states that have peer review, and we would talk to those folks to fine out what works well.

Q: Legislative overview of Personnel Board.

A: Right now the personnel board does an annual report. The new report will include additional information in its report, i.e. grievance process. This is used to create accountability. Then legislature could make legislative changes.

Q: Drug Testing. Required drug testing after a work related injury.

A: Yes, this would fit into the reasonable suspicion criteria.

Q: Sick time, we have 7.5 hours which is a whole day. If we go to the 40 hour day would we start getting it at 8 hours?

A: The leave balances would stay at 7.5 hours, but if you left state gov't and get paid out for annual & comp. balances at the new rate of pay (6.67% increase).

Q: What if the whole state moved to it?

A: It would stay at 7.5 hours. That is something that has come up at another meeting, that it be converted week to week.

Q: There would not be a cap on salaries of current employees.

A: Right now the recommendation is just to do it, but there has been discussion to grandfather out employees. In my opinion, I don't think it will work any other way.

Cherry added the legislative oversight means quite a lot. Agencies and boards do not like to have their agenda's publicly scrutinized, the end result if the legislatures would have the rationale for changing if the board or agency is doing something not to the legislature's liking.

ER – accountability is always a good thing.

Q: On Recommendation 2, this provides for the capability for internal promotion without requiring external consideration. How does this affect the hiring process?

A: On the interview process, it would limit the number of interviews, if the agency decided to go inside. It would reduce the number of competitive registers. I look at it as additional internal mobility. If an employee was there and is promoteable that employee would be promoted. If no internal promoteable then go to internal mobility register, if no internal mobility register candidate is found, then to competitive register.

Q: The Personnel Board – as far as going to peer review and mediation is that done in the region?

A: Yes sir, that's the whole idea. We would at least try to have it regional a mediator or peer review committee would come to you.

Q: Would drug testing be done by an outside agency?

A: Would go to a third party, or outside laboratory.

Q: Regarding Recommendation 2, at transportation we have a number of career paths within that organization. I think realistically the whole thing about this is 5% or 10% it's a reclass vs. a promotion. I think we should consider just eliminating reclass. Or we should have two types of reclass, either reclass with promotional period or just a reclass.

A: That is a big part of what's going on with this recommendation. Reclasses lead to a lot of issues when it comes to the number of classifications it is a way to get someone a raise by giving the employee some additional duties and then reclass them. I think with a promotional track the raises will be better, because you will get the 5% raise and then the additional 5% when you complete probation. If you not have a set promotional track, then you have individual's doing reclasses on their own, and you get some of the pay inequality.

- Q: Internal Mobility – we would also be looking at internal candidates.
- A: The external competition they are thinking of potential employees coming in from both outside of state gov't as well as employees from other agencies.
- Q: Proposed Future Hiring Processes. I would like to make a comment of the panel. I think there should be more rules on who was on the panel – selection panel or interview panel. I think it ought to be up to the head of the agency to make the final decision on upholding the panel's decision. I have a problem with outside interference. The agency head should be able to make their final pick for the hiring decision. Could we have a certification for the panel that says there is no external pressure to make the hiring decision?
- A: If you have been in the process of procurement you know that there are very stringent things that can't interfere with that process. With the merit system, there are currently no set guidelines for people making hiring decisions. We need better training, better orientation, to make sure they are selecting the best qualified candidate.
- Q: If this goes through the legislative process and gets adopted (talking about the 5% v. 10%) I would like to see some adjustment provision for employees in the middle of this process. So people who get caught in the middle can have their agency make an adjustment to their salary.
- A: We are going to be very careful about how to do this so that we don't hurt current employees. Because of the lack of uniformity in the system, it will be difficult to implement these changes without hurting someone currently employed. It might be that we have to run 2 merit systems for a while so that nobody gets harmed. This is not a quick change, these changes are long term.
- Q: I am a Court of Appeals Judge for this district. Quoted the Philpod case – Mr. Philpod when he was terminated for cause sought the review through normal administrative remedies. Suggestion for legislature through chapter 13 – Specific requirements the legislature should set up specifically what is to be included in the final order advising the aggrieved party of their rights and consequences for doing so.
- A: (MH) You are absolutely right. We would like to have employees have the opportunity to be able to maneuver the process with clarity of the process. ER- we need clear language written into the merit system law which will provide clear definitions. ER – Something that has come up is having a coordinated orientation program for employees so employees can have their rights explained to them upon employment.
- Q: Can you discuss time lines for implementing these recommendations?
- A: Items that are legislative, we will work hard to get them to the legislature this session, if they make law; usually legislative changes are made by July. Some of these things, i.e. reduction of classification, maximum salaries, the new process are long term (even if they become law) will take a long time to complete.

Executive function can be done quicker if the Governor decides we are going to do that. Things like the 40 hour work week can be done tomorrow if the agency decides to go that way.

Q: If there is a promoteable employee will the supervisor be required to hire that employee, and if the promoteable employee is not hired does this open the door for the employee to file more grievances.

A: I wouldn't imagine it would be a requirement. The supervisor I would think would have some discretion, they would know best whether the employee is promoteable or not. Anybody that is making a hiring decision is subject to a grievance process. I don't see it as increasing it all.

Q: Transportation employees were told that no more promotions, only reclasses.

A: That's come up at every meeting. Yes that is true currently, because each appointing authority decides what they do within their agency. I think that is a good example of the underlying issues within the merit system. You've got different agencies doing different things, we need uniformity. If these things pass and become law that all appointing authorities shall do x, y, and z or shall have promotional tracks then they wouldn't be able to do that.

Q: Who decides the reclass, Transportation or Personnel?

A: Transportation. Big Personnel as we are called, lots of people have the impression that we are making these rules. We have policies for personnel cabinet employees and we have responsibility for making sure regulations are followed. But agencies have the ability to do a lot of different things as long as they are working within the regulations.

Q: Capping salaries, I'm in the secretarial pool. A new employee right now they have reclass, so some of us have been moved down a grade. If you hire new employees with this cap, is the cap figured, if they stay in the same position, in what year will they reach their cap?

A: That's the kind of detail that we need to get to. The only reference I have, is the way the federal gov't does their. I would imagine the cap would be up there quite a bit so that they will have steps, so they are bumped up early on in their careers.

Q: Ideally working for the state is not going down, but moving up. Why do you have to have a cap. Gas goes up; milk goes up, why can't our salaries.

A: There is no reason why we can't do it. This would give structure to our system. MH – these market surveys, will adjust each year based on Cost of Living, plus the increment. Plus employees reaching cap will be given lump sum award.

Q: If you go from 7.5 hour work day to 8 hour. And you start looking at your leave time; if you had 750 hours accumulated you had 100 days, if you go to 8 hours. If you don't adjust the time you then lose time.

A: That's an issue that has been raised at all meetings.

Q: Reclass vs. Promotion. It is in each cabinet's hands what they do. One person should not be able to keep you from getting the 5% or not 10%.

A: Amen

Q: Evaluations – currently you get no days, 1 day, or 2 days. You should consider letting the employee evaluate the boss for their effectiveness.

A: All merit employees get evaluated.

Q: When you hire people in off the street, there needs to be control on where someone is hired in at, either at min point, mid point, or max.

A: What I see is a pay issue, as long as you have a range,

All the discussion today, will be put together and will be compiled and will be given to the task force for their review, I also intend to sit down at the next task force meeting to carry the message to the task force of the employees input. Also, if you want to know more about the task force, [personnel.ky.gov](http://personnel.ky.gov) you can have the whole task force experience, KET has video taped all the meetings, and the presentations, meeting minutes, is on there. If you're interest in knowing more, please go to the website. There is also a link on there where you can e-mail the task force.

**TAB J**

**LOUISVILLE**

**Attendance – approximately 77**



Secretary Roberts welcomed and thanked everyone for attending and introduced staff and gave a brief overview of the Task Force. Secretary Roberts then went over the proposed recommendations which have shown the most interest.

Recommendations 1 & 7: Political Discrimination. Task force divided three ways. 1<sup>st</sup> keep as is, 2<sup>nd</sup> make felony, 3<sup>rd</sup> make civil with loss of job and civil fine. Whatever option we go with it needs to be clear what the violation is. Also would like to look at the victim of the discrimination. Should be some mechanism to fix the wrong and make the victim whole.

Recommendation 2: New HRIS System. New system will allow employee self-service, New system will allow you to apply, update, change counties, put yourself on register, and testing in a proctored environment in remote locations. Create career ladders and promotional tracks. In addition to Internal Mobility, you will have promotional tracks so if you have an employee is promoteable they can be promoteable if qualified without going through the register process.

Recommendation 14: Grievance & Mediation Process. Currently to have a personnel board case it takes about 6 months and \$6500 (state cost) to process a case. This recommendation would create two tracks. 1<sup>st</sup> track is grievance and if not successful then to peer review panel, then to personnel board; or the employee could choose 2<sup>nd</sup> track of mediation, if mediation not successful then to peer review and then to personnel board. Mediation is currently a voluntary program. This recommendation would make it an official program. If the employee chooses mediation then the agency would have to participate.

Recommendation. 17: Drug Testing – 3 types of drug testing. 1<sup>st</sup> is post offer/preemployment drug testing – new applicants only. 2<sup>nd</sup> is reasonable suspicion – employee in the workplace under the influence of alcohol and drugs. 3<sup>rd</sup> is random testing – very limited – limited to those employees in charge of others, i.e. nurses, child care providers, correctional officers, and also CDL licensees. We would not try to reinvent the wheel, other states and private sector employers have done this, and we would mirror others' programs to protect employees' constitutional rights.

Recommendation 18: Military Leave – gives an additional 1 week of military leave to reservists to serve their country. This would be in line with the federal military leave policy.

Recommendations 20, 21, & 22: EEO – Affirmative Action Plan. Complete a disparity study to determine if the state's hiring policies adversely affects members of the protected classes. Also brings the affirmative action plan up to date. Also provides for training for individuals responsible for hiring decisions so they will know how to implement the affirmative action plan.

Recommendation 23: Reduction of classifications. Originally made in 1993 and then again in 1996.

Classifications are the building blocks of the merit system. They are very important if the classifications aren't in order then the merit system won't be in order. In addition to reducing the classifications, we really should take some time and see what the classifications contain. They need to be updated to current needs, an example is clerical classifications do not contain any requirement for computer skills.

Recommendation 24: Maintain annual increment. Sets maximum salaries. Maximum salaries within the pay grades. Currently we only have a minimum and mid-point. This was also recommended previously. The main purpose to have maximum salaries is to add structure to the pay scale. Employees in the same grade, same experience, same duties paid one thing in one cabinet and another employee with equal exp. and duties paid less. Without maximum you have pay inequality. Discussion to grandfather those current employees so not to hurt those employees who are long time employees, or employees nearly retirement. If this recommendation was passed by the task force and if the legislature agreed to place it into law there would be an effective date for the maximum salary and any one hired after that date would have a maximum salary.

Recommendation 26: 40 hour work week. Some agencies already have a 40 hour work week. This is a recommendation to those agencies that don't have it to take a look at it and see if it would work for their agencies. This of course, creates a budget concern, this results in a 6.67% pay increase.

Secretary Roberts then opened the floor for questions.

Q: Regarding Recommendations 20, 21, & 22 is this referring to all the protected classes?

A: Yes all protected classes.

Q: Does some agencies have a 40 hour week, and if so how does this mean optional

A: Yes, some agencies do, this is a recommendation that asks agencies to take a look at it.

Q: Have employees wanted it?

A: Some have, Finance cabinet did a survey and 75% of their employees wanted it.

Q: If certain agencies decide to go to it, how does that effect the overtime? Currently the 2.5 between 37.5 and 40 go to c-time. Do those hours become obsolete?

A: Fair Standards Labor Act requires employees to be compensated. Once you hit 40 hours you get paid at time & half.

Q: We have had memos that said we are not allowed to accumulate comp time

A: Many agencies have not allowed employees to accumulate comp time for budgetary reasons.

Q: Early retirement is that going to be done with or is that going to be extended?

- A: Yeah we have heard those rumors and its just rumors at this time, I'm not aware of a formal decision to change the retirement.
- Q: On Recommendation 3 regarding the recruitment of qualified veterans. Is there going to be legislation to help veterans?
- A: There has been a bill that has been prefiled that make a lot of enhancements for veterans with respect to state hiring; it will be looked at the next session.
- Q: Is there any thought of introducing a nepotism policy for state government?
- A: In 1993 there was a nepotism policy saying that it would not be allowed; the AG said that state government did not have the authority to promulgate such a regulation.
- Q: Has retirement been under funded?
- A: That is really a retirement question.
- Q: If an agency decides to go to the 40 hour work week, would it be up to the appointing authority to decide flex time?
- A: Yes, they would still determine schedule.
- Q: Make up of the panel, who appointed the panel?
- A: The governor appointed the task force
- Q: And there are two current merit employees on the panel?
- A: One is a branch manager, the other is non-manager?
- Q: Memo from the personnel cabinet, why did the governor's office request a register of political affiliation?
- A: That was one of the representatives or senators on the task force that requested that. That was a statistical request to look at the breakdown. I think this administration is unique if you look at the non-merit positions that the governor has the ability to change you have 61% unchanged.
- Q: The amendment in Recommendation 1 should include existing state employees.
- A: They just wanted to make it clear that all employees were to be considered in this.
- Q: Regulations
- A: Talking about folks who have hiring authority are trained to be sure they are hiring the most qualified person, and following the law and regulations in those hiring decisions.
- Q: Why state principles should it be an understanding of merit system law?
- A: Currently there isn't a uniformed way of selecting and hiring them. This would give the training to those people having hiring authority.

Q: Are nonmerit employees allowed to apply to other positions prior to the end of the administration or is that a violation of the merit system?

A: One of the recommendations is to extend the probationary period to a year to help eliminate the burrowing, except for those people who are career employees.

Q: By revising this Affirmative Action plan how does this going to allow more qualified blacks into state government.

A: Under the current program, the state is making progress. The goal was 7% and the Governor has moved the goal to 10% and we are now at 8%. It would take a good hard look at the system to determine if there is something wrong with the system. For instance, is there something wrong with the test which would make it hard for a minority to get on board? Once we have that information we would need to make the changes and get those into our affirmative action plan. In some states if you don't make your goals, you lose budget. If you do meet your goals we need to have rewards for those agencies. Also need to train so hiring authority

Q: Why can't we get the standard 5% raise if we can afford drug testing?

A: The cost for doing the testing is minor, the 5% raise is something that has to be approved by the legislature, the personnel cabinet can't do anything about it.

Q: Why are we putting it out like it is a raise, we are not going to be making any more per hour, so it's not a raise?

A: I'm sorry I misspoke, it's not a raise it's just an increase in salary.

Q: If the agency goes to a 40 hour work week, do all employees have to go to that, or does the employee have a choice?

A: It's up to the appointing authority. Finance did it for their entire cabinet. Dept. of Corrections did it for their officers who worked in a 24 hour environment.

Q: Are there any discussions within the task force to hire contractors instead of state employees?

A: No, that's not an issue that I know came up, I don't think that has been discussed.

Q: I know some agencies have temp workers, and they want to hire them on after years, will the agencies be able to hire those temp workers over current state employees.

A: Temp employees are not state employees, are not merit employees, and are not subject to internal mobility. Obviously the agency has discretion, but they would not be internal mobility candidates.

Q: There are contractors that are supervising state employees, which brings up concern when you talk about merit raises. Are merit raises still included in the merit system – ACE /ERA? It makes it hard to be eligible for those types of awards when you have contractors as supervisors.

A: I appreciate your comments; we'll make sure we take a look at that. To see what impact contract supervisors have on merit system employees.

- Q: Where are we at with the recommendations, will they be taken to the governor, how long will it take to implement them?
- A: The information will be compiled and organized and made available to the task force members. We have actually had new recommendations that have come out of these meetings. Once the task force votes those recommendations will go to the governor along with the information from these meetings. The information from the task force and the meetings will be presented to the legislature – to one of the committees, of course any legislature who wants the information can have it. If a recommendation is statutory the legislature will bring it up, and make it law, the soonest this can happen is July 2006, for reg. it takes about 6 months. Some are executive changes and the Governor could change at his discretion, some of agency changes and could happen quickly should the agency choose to change. The classifications, the salary maximums, the new hiring piece, will be long term and take a long time to get in place, the new system for instance will take a couple of years.
- Q: What can a state employee do, if they have concerns with some of these recommendations? The maximum concerns me, why should I stay if I reach the maximum and can't go any further.
- A: The first step is here, if it becomes a recommendation, contact your representative and let them know your concerns, also personnel cabinet. As for the maximum, we would hope to mimic the federal system, you would have steps to get up the maximum, we would need to do it smartly, it will be a great thing for future state employees.
- Q: The salary schedule is being raised at the bottom, and its giving newer employees' raises and additional pay that highly and tenured employees not getting. This is a great concern to employees. It is not necessary to test in Frankfort there are remote test locations.
- A: The personnel cabinet does market survey salaries each year, if we had a maximum salary those market surveys would become even more necessary. The elimination of lower pay grades, what they were finding was that no one was coming into those pay grades anyway. With testing it's a timing issue, if you can't get to a remote testing site, you run into a time issue because the job posting is only 10 days.
- Q: When you put the caps on employees, you have new employees who will be using the state as a training mechanism and then will be moving to private sector where they will be able to make more. Can you tell us where the logic is, why can we pay some people overtime and then you have others who are forced to take off?
- A: We do have to do things to recruit employees and help retain employees. Some of these things will help to retain employees. We average about 60,000 applications per year, and there are a lot of people who want to become employed by the state. So something is still attracting those people here. We are working on trying to keep health insurance and those types of things down.